# GOVERNMENT OF INDIA
# CIVIL AVIATION
# LOK SABHA

STARRED QUESTION NO:23
ANSWERED ON:17.11.2016
UDAN Scheme
Prasad Dr. Bhagirath;Yadav Shri Jay Prakash Narayan

**Will the Minister of CIVIL AVIATION be pleased to state:**

(a) whether the Union Government has launched the Ude Desh Ka Aam Naagrik (UDAN), a regional connectivity scheme providing air connectivity to un-served and under-served airports situated in small and medium towns of the country;

(b) if so, the details of the scheme including the number of small airports being developed/constructed for the purpose along with the funds allocated and released for the same;

(c) the number of proposals received from various airline operators who wish to operate under the scheme along with action taken on those proposals;

(d) whether the Union Government has put onus on the States to secure commitments from airlines to start operation before dormant airports can be revived and if so, the details thereof; and

(e) whether fares under this scheme are likely to be capped and funded by levying a fee on flights landing at major airports, and if so, the details thereof and the steps taken by the Government to implement the scheme successfully?

## Answer

Minister of CIVIL AVIATION

(Shri Ashok Gajapathi Raju Pusapati)

A statement is laid on the table of the House.

STATEMENT IN RESPECT OF LOK SABHA STARRED QUESTION NO. 23 "UDAN SCHEME" TO BE ANSWERED ON 17-11-2016; (a): Yes Madam.; (b) to (e): The Ministry of Civil Aviation launched Regional Connectivity Scheme (RCS)-UDAN (Ude Desh ka Aam Nagrik) scheme on 21-10-2016 for providing connectivity to un-served and under-served airports of the country. The primary objective of RCS is to facilitate / stimulate regional air connectivity by making it affordable. Promoting affordability of Regional air connectivity is envisioned under RCS by supporting airline operators through

(i) concessions by Central Government, State Governments and airport operators to reduce the cost of airline operations on regional routes and

(ii) financial support (viability gap funding or VGF) to meet the gap, if any, between the cost of airline operations and expected revenues on such routes. RCS-UDAN is a demand-driven scheme, where airline operators undertake assessment of demand on particular routes. An indicative list of underserved, unserved airports in India is Annexed as Annexure 1A and Annexure 1B, respectively. A Regional Connectivity Fund has been created under powers conferred under Rule 88-B of the Aircraft Rules, 1937 to provide the VGF requirements under the scheme. The Central Government has decided to impose a levy on the scheduled flights being operated within India to fund the Regional Connectivity Fund. However, following flights has been exempted from the above mentioned levy:; i) Flights operated on CAT II/ CAT IIA routes as specified in Route Dispersal Guidelines issued under Rule 134 (1A).; ii) Flights operated on RCS routes.;

iii) Flights operated with aircraft having maximum certified take off mass not exceeding 40,000 kg. An airline/helicopter operator is required to submit its proposal to the implementing agency ie. Airports Authority of India (AAI) in the form and manner specified in the scheme. Selection of airline will be done through transparent bidding process.